

International Confederation of European Beet Grower

CONFEDERATION INTERNATIONALE
DES BETTERAVIERS EUROPEENS

CONFEDERAZIONE INTERNAZIONALE
DEI BIETICOLTORI EUROPEI



INTERNATIONALE VEREINIGUNG
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PRESS RELEASE

14th June 2019

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Last meeting of the High Level Group on Sugar: European beet growers are deeply concerned it could fall short of expectations and strongly fear additional concessions to Mercosur

European sugar beet growers are concerned by the too prolonged inaction of the EU Commission and of the Member States: they been contemplating the turmoil in the EU beet sugar sector for the past two years without allowing measures that could have helped towards a recovery. Unfortunately, European beet growers also note that the conclusions by the High Level Group on sugar (HLG) risk persisting on this path of inaction. The draft report discussed on 12 June reflects a comprehensive analysis but again Member States expressed different views, did not consider any short-term concrete measures and envisaged few general recommendations.

European sugar beet growers note that despite the highest production standard and quality of their beet, its value is the lowest in the world: during these 2 years without quota, more than 2 billion EUR have been passed from growers and manufacturers to the sugar users. Prices have reached record lows in the EU, hitting growers' income severely (by at least 30% since October 2017) and putting the European sugar beet sector in the red. In addition, dumping on the world market by third countries has increased. "Obviously there is something wrong in the functioning of the sugar beet supply chain", CIBE President Eric Lainé stated. "Indeed, the poor 2018/19 crop, the significant adjustment and decrease of EU sugar stocks expected for 2018/19 and 2019/20 and the increase of EU imports do not prevent record low prices. What a destruction of value for our farms and our industry! Today, the sugar companies are planning to close factories in competitive regions, are deciding hastily and putting pressure on sugar beet growers, whilst we should build on our strengths to maintain this sector of excellence".

Furthermore, the recent decisions regarding the toolbox for plant protection and the costs of alternatives accentuate the non-level playing field with third competitors, putting at risk the sustainability and the investments of the past decade as well as the ability of the sector to attract further investments. Last but not least, the Brexit and the possible additional market concession to be granted to Brazil in the EU-Mercosur negotiations could have further severe impacts on the market and on the sector.

"No fewer than ten meetings between EU Institutions and stakeholders have taken place to discuss the end of quotas, the EU sugar market price crisis and the situation of sugar beet growers. Meetings of the market observatory, the high level group and the civil dialogue group have clearly analysed the situation. This new report accurately reflects the severity of the crisis. But there is a strong risk that the report's conclusions expected in July will fall short of expectations. Above all, we need support to improve our resilience and to stop market access concessions to third countries. We urge the Commission and the Member States to come with responses, notably on resilience. It is time to act, to be pragmatic. The Commission and the Member States have shown that it is possible to act for other sectors. CIBE and its members will continue to work but would be deeply disappointed and concerned in the event of disengagement from the Commission and the Member States" concluded CIBE President Eric Lainé.